



AGENDA REQUEST FORM

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA

MEETING DATE	2018-08-21 10:05 - Regular School Board Meeting
AGENDA ITEM	ITEMS
CATEGORY	EE. OFFICE OF STRATEGY & OPERATIONS
DEPARTMENT	Procurement & Warehousing Services

Special Order Request <input type="radio"/> Yes <input checked="" type="radio"/> No
Time
Open Agenda <input checked="" type="radio"/> Yes <input type="radio"/> No

ITEM No.:
EE-3.

TITLE:
 Recommendation to Approve Second Amendment to Agreement -15-003P - Administration of Flexible Spending Accounts for School Board Employees

REQUESTED ACTION:
 Approve the Second Amendment to Agreement for the above-referenced Request for Proposal (RFP). Contract Term: January 1, 2019 through December 31, 2019, 1 Year; User Department: Benefits; Award Amount: \$75,000; Awarded Vendor(s): PayFlex Systems USA, Inc.; Small/Minority/Women's Business Enterprise Vendor(s): None.

SUMMARY EXPLANATION AND BACKGROUND:
 RFP 15-003P for the Administration of Flexible Spending Accounts was awarded to PayFlex Systems USA, Inc. on September 16, 2014. The term of the initial contract period was January 1, 2015 through December 31, 2017, with the option for two (2) one (1) year renewals. The First Amendment to Agreement to renew the contract for the period of January 1, 2018 through December 31, 2018, was approved by the School Board on August 22, 2017.

 The Second Amendment to the Agreement has been reviewed and approved as to form and legal content by the Office of the General Counsel.

SCHOOL BOARD GOALS:
 Goal 1: High Quality Instruction Goal 2: Continuous Improvement Goal 3: Effective Communication

FINANCIAL IMPACT:
 The financial impact to the District for 2019 will be approximately \$75,000. The funding has already been allocated within the Fringe Benefits Clearing Account; therefore, this item does not present additional cost to the School Board for 2019.

EXHIBITS: (List)
 (1) Continuation of Summary Explanation and Background (2) Executive Summary (3) Second Amendment to Agreement (4) Approved ARF 9-16-2014 RSBM EE-10 (5) Approved ARF 8-22-2017 RSBM E-4

BOARD ACTION:
APPROVED
(For Official School Board Records Office Only)

SOURCE OF ADDITIONAL INFORMATION:

Name: Dr. Dildra Martin-Ogburn	Phone: 754-321-3108
Name: Mary C. Coker	Phone: 754-321-0501

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
Senior Leader & Title
 Maurice L. Woods - Chief Strategy & Operations Officer

Approved In Open Board Meeting On: AUG 21 2018
 By:
 School Board Chair

Signature

Maurice Woods
 8/10/2018, 9:28:43 AM

Second Amendment to Agreement
15-003P – Administration of Flexible Spending Accounts for School Board Employees
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CONTINUATION OF SUMMARY EXPLANATION AND BACKGROUND

This Second Amendment to Agreement is to renew the contract for the second and final renewal option for the period January 1, 2019 through December 31, 2019.

EXECUTIVE SUMMARY

Second Amendment to Agreement 15-003P – Administration of Flexible Spending Accounts for School Board Employees

Background

On September 16, 2014 the Board awarded the contract for the above-referenced Request for Proposal (RFP) to Payflex Systems USA, Inc. to provide the Administration of Flexible Spending Accounts for School Board Employees. The initial term of the contract was January 1, 2015 through December 31, 2017, with two, 1-year renewal options. The Board's monthly premium rates for the initial contract period (2015 -2017) were fixed.

On May 17, 2017 the Superintendent's Insurance & Wellness Advisory Committee held its annual contract renewal meeting and voted unanimously to recommend approval of the first one-year renewal option (2018) to the Superintendent of Schools. In accordance with the terms of the initial contract, the monthly rates were held flat for the first one-year renewal; therefore, there was no rate increase for 2018.

The Superintendent's Insurance & Wellness Advisory Committee (SIWAC) held its annual contract renewal meeting on May 16, 2018. As a result of negotiations with PayFlex, the Benefits Consultants were able leverage the implementation of the new Health Savings Account (HSA) to reduce the Flexible Spending Account monthly fee from \$3.45 to \$3.15 for January 1, 2019 through December 31, 2019. The SIWAC voted unanimously to recommend approval of the second one (1) year renewal option to the Superintendent of Schools.

In addition, Payflex has agreed to refund the difference of the 2018 and 2019 rate (.30 cents per member per month) that was charged in 2018.

SECOND AMENDMENT TO AGREEMENT

THIS SECOND AMENDMENT TO AGREEMENT is made and entered into as of this 21st day of August, 2018, by and between

THE SCHOOL BOARD OF BROWARD COUNTY, FLORIDA
(hereinafter referred to as "SBBC"),
a body corporate and political subdivision of the State of Florida,
whose principal place of business is
600 Southeast Third Avenue, Fort Lauderdale, Florida 33301

and

PAYFLEX SYSTEMS USA, INC.
(hereinafter referred to as "PAYFLEX"),
having its principal place of business at
10802 Farnam Drive, Suite 100
Omaha, Nebraska 68154

WHEREAS, SBBC issued a Request for Proposal identified as RFP 15-003P Administration of Flexible Spending Accounts for School Board Employees dated December 9, 2013 and amended by Addendum Number One dated, January 14, 2014 (herein referred to as "RFP") which are incorporated by reference herein, for the purpose of receiving proposals for Administration of Flexible Spending Accounts for School Board Employees; and

WHEREAS, PAYFLEX offered a Proposal dated, February 12, 2014 (hereinafter referred to as "Proposal"), which is incorporated by reference herein, in response to the RFP; and

WHEREAS, SBBC and PAYFLEX entered into an Agreement dated September 16, 2014 (hereafter "Agreement") for Administration of Flexible Spending Accounts for School Board Employees under RFP 15-003P; and

WHEREAS, SBBC and PAYFLEX entered into a First Amendment to Agreement, dated August 22, 2017 for the first one-year renewal option; and

WHEREAS, the parties mutually desire to amend certain provisions of the Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein and the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties hereby agree as follows:

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ARTICLES

1.01 **Recitals.** The Parties agree that the foregoing recitals are true and correct and that such recitals are incorporated herein by reference.

2.01 **Term of Agreement.** The September 16, 2014 Agreement is hereby extended from January 1, 2019 through December 31, 2019, unless terminated earlier pursuant to Section 3.05 of the Agreement.

3.01 **Fees.** The fees for the period commencing on January 1, 2019 through December 31, 2019 shall be as follows:

Optional One-Year Renewals	2019
FSA Per Participant	\$3.15 with debit card
Other Fees	Implementation/Annual Fee – No Charge Open Enrollment Meeting Support/Travel – No Charge No Monthly Minimum Fee Required Wire Transfer/ACH – No Charge Takeover Provision – No Charge Quarterly Statements – No Charge
Health Savings Account (HSA) Per Participant	\$2.95
Run-Out Fees	No Charge

4.01 **Premium Credit.** Beginning January 1, 2019 PAYFLEX agrees to provide a premium credit for any fees paid for Plan Year 2018 for the FSA fees, which exceeded the reduced rate of \$3.15.

5.01 **Order of Precedence Among Agreement Documents.** In the event of conflict between the provisions of the Agreement and the provisions contained herein, the provisions of the following documents shall take precedence in this order:

- a) This Second Amendment to Agreement; then
- b) The First Amendment to Agreement dated, August 22, 2017; then
- c) The Agreement dated, September 16, 2014; then
- d) Addendum Number One, dated January 14, 2014; then
- e) RFP 15-003P – “Administration of Flexible Spending Accounts for School Board Employees”; then
- f) The Proposal submitted by PAYFLEX in response to the RFP.

In case of any other doubts or difference of opinion, the decision of SBBC shall be final and binding on both parties.

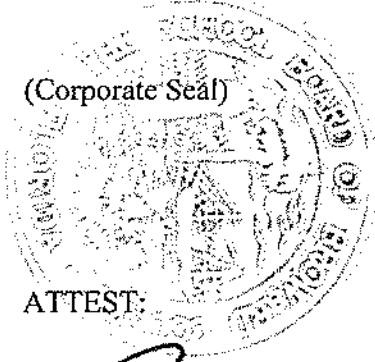
6.01 **Other Provisions Remain in Force.** Except as expressly provided herein, all other portions of the Agreement remain in full force and effect.

7.01 **Authority.** Each person signing this Second Amendment to Agreement on behalf of either Party individually warrants that he or she has full legal power to execute this Second Amendment to Agreement on behalf of the Party for whom he or she is signing, and to bind and obligate such party with respect to all provisions contained in this Second Amendment to Agreement.

IN WITNESS WHEREOF, the Parties hereto have made and executed this Second Amendment to Agreement on the date first above written.

FOR SBBC

(Corporate Seal)



ATTEST:

THE SCHOOL BOARD OF BROWARD
COUNTY, FLORIDA

By Nora Rupert
Nora Rupert, Chair

Robert W. Runcie
Robert W. Runcie, Superintendent of Schools

Approved as to Form and Legal Content:

[Signature] 07/11/10
Office of the General Counsel

FOR PAYFLEX, INC.

(Corporate Seal)

PAYFLEX SYSTEMS USA, INC.

ATTEST:

By [Signature]
Signature

, Secretary

Printed Name: Jeffrey Protector

Title: Senior Director, Compliance

-or-

[Signature]
Witness

Witness

[Signature]
Witness

Witness

STATE OF Nebraska

COUNTY OF Douglas

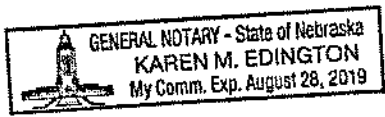
The foregoing instrument was acknowledged before me this 26th day of June, 2018 by Jeffrey Protector of PayFlex Systems on behalf of the corporation/agency. He/She is personally known to me or produced _____ as identification and did/did not first take an oath. _____
Name of Person
Type of Identification

My Commission Expires:
8-28-19

[Signature]
Signature - Notary Public

Karen M. Edington
Printed Name of Notary

(SEAL)



Notary's Commission No.